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# Republic of Moldova: Second District Heating Efficiency Improvement Project

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## **Stakeholder Engagement Plan (SEP)**

March 2020

(draft)

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**Acronyms and abbreviations**

CHP	Combined Heat and Power Plant
C-ESMP	Contractor's Environmental and Social Management Plan
C-LMP	Contractor's Labour Management Plan
DAPs	Directly Affected Parties
DHS	District Heating System
DHEIP	District Heating Efficiency Improvement Project
DHEIP-2	Second District Heating Efficiency Improvement Project
DHW	Domestic Hot Water
ESIA	Environmental and Social Impact Assessment
ESMF	Environmental and Social Management Framework
ESF	Environmental and Social Framework
ESMP	Environmental and Social Management Plan
ESS	Environmental and Social Standard
GoM	Government of Moldova
GBV	Gender Based Violence
GRM	Grievance Redress Mechanism
HOB	Heat Only Boiler
IAPs	Indirectly Affected Parties
IFI	International Financial Institution
IHS	Individual Heating Substation
MEPIU	Moldova Energy Projects Implementation Unit
MoEI	Ministry of Economy and Infrastructure
NGO	Non-governmental organization
OP	Operational Policy
PAP	Project Affected Parties / Persons
PPA	Public Property Agency
SEP	Stakeholder Engagement Plan
TE	„Termoelectrica” S.A.
WB	World Bank

## I. Introduction

The purpose of this Stakeholder Engagement Plan (SEP) is to provide a basis for a constructive relationship between „Termoelectrica” S.A. as Beneficiary of the proposed Second District Heating Efficiency Improvement Project), the Project Implementation entities and the affected stakeholders over time. The SEP will cover the whole life of the Project, including pre-construction, construction and operation. The SEP also stipulates for stakeholders how their concerns are to be considered in the different phases of the Project.

### 1.1. Project Background

- **Improving energy efficiency and ensuring energy supply security are critical factors in enhancing Moldova’s economic competitiveness and key elements in fighting poverty according to the National Development Strategy.** Inefficient energy use in Moldova is leading to higher energy costs for industries and residents, with a negative impact on growth and competitiveness. Despite the fact that energy intensity was almost halved since 1990 due to the decline of industry, Moldova remains one of the most energy intensive economies in the region. In addition, the high energy costs affect the available disposable income for Moldovan households. The median household devotes a fifth of its expenditures to energy services and products, mostly to stay warm. This share is higher for poorer households: the poorest quintile of Moldovan households spends over 20% of their income on energy on an annual basis. Hence, improving energy efficiency is beneficial both for improving the economic competitiveness of the country and poverty alleviation.
- The district heating (DH) is the dominant form of residential space heating (SH) in Chisinau, Moldova where circa 500 000 persons rely on it for their well-being. Besides, the DH system supplies heat to public buildings and to a number of private entities. The heat from the DH system is used both for space heating in buildings and for producing domestic hot water. „Termoelectrica” S.A. (TE) is the main heat energy supply agency.
- **Since 2009 with the assistance from the World Bank (WB) Moldova has embarked on a comprehensive institutional, corporate and financial restructuring of the DH sector in Chisinau.** In 2014 the Bank approved District Heating Efficiency Improvement Project (DHEIP) (P132443) in the amount of US\$ 40.5 million with the objective of contributing to improved operational efficiency and financial viability of the new district heating company and improving quality and reliability of heating services delivered to the population in Chisinau. The project has been successfully implemented to date, supporting priority investments aimed at optimizing and modernizing the heat distribution network, such as reconstruction of several major pumping stations, replacement of selected segments of DH pipes and switching from Central Heating Substations (CHS) to Individual Heating Substations (IHSs) for better and more efficient supply of heat and hot water to end-used consumers.
- **The ongoing DHEIP revealed a significant need in investments on the supply side infrastructure, which is approaching the end of its operational life and may pose a threat to uninterrupted heat supply in Chisinau.** In 2018 the World Bank launched a study on the optimization of Chisinau DH system and fuel supply options. The objective of the study was to help Termoelectrica and the GoM to identify the optimal energy model for short- to longer-term development of Chisinau DH, and a supporting investment plan, to further improve TE’s operational efficiency and financial viability. The Government of Moldova approached the World Bank with a request to support further investments through the proposed Second District Heating Efficiency Improvement Project.

## 1.2. Project Overview

### **Project Development Objective:**

The Development Objective of the Project is to increase the efficiency and reliability of heat and power production and distribution of the Chisinau District Heating system.

### **Project Components and activities**

The Project will finance the following activities grouped into three components.

#### **Component 1. Optimization of Heat and Electricity Generation**

This component will finance modernization of CHP Source-1 and installation of gas engines, including electrical connections, installation of a new Management Information System and Hydraulic Management System to increase and optimize the efficiency of heat and electricity production by Termoelectrica, and technical supervision for sub-component 1.2. The Component will consist of five subcomponents:

- 1.1. *Modernization of Generation at CHP Source* financing: (i) Reconstruction of Unit 2, which will include reconstruction of steam turbine high-pressure equipment to extend its operational lifetime, retrofit of low-pressure equipment to increase electricity production capacity, power generator diagnosis, retrofit and modernization of vibration control module, replacement of turbine supporting equipment, replacement of heat boiler burners and other equipment to increase boiler's efficiency, and installation of automated control module for capacity regulation and burning and (ii) major overhaul of turbine and replacement of boiler heat surface at Unit 3, which will include major overhaul of steam turbine high-pressure equipment to extend its operational lifetime, and replacement of steam boiler' economizer.
- 1.2. *Increasing Efficient Cogeneration.* This sub-component will finance the installation of (i) efficient cogeneration modular units (gas engines) at HOB West and CHP Source-3 [*a new dedicated facility within the area of Source-3*]; and (ii) installation of power transformers and power facility/switch gear ID-110 kV. This will include construction of new light facilities (sandwich panels) to accommodate gas engines and their installation, installation of power transformers and switch gears for connection to urban grid at HOB-West and installation of switch gears at Source-3. The final heat and power generation capacity and number of GE units will be determined at a later stage of the Project preparation [after international competitive bidding].
- 1.3. Development and installation of a modern comprehensive Management Information System (*Business and Operational Planning Management System*) for Termoelectrica to improve its operational planning and control capabilities.
- 1.4. Development and installation of a modern interactive Hydraulic Management System (US\$0.3 million).
- 1.5. Technical Supervision for sub-component 1.2.

#### **Component 2. Pilot Energy Efficiency Investments**

This component will finance pilot energy efficiency investments by TE in the public and residential buildings that benefitted from installation of IHSs under the DHEIP and TE's own investments such as replacement of in-house heating distribution pipes, installation of new piping for DHW in the buildings which currently don't have the service (only about 50% of DH consumers have both heating and DHW provided by TE via DH system), and pilot investments in switching from vertical to horizontal internal distribution. Such investments would maximize the energy efficiency outcomes of DHEIP investments.

### **Component 3. Project Management and Technical Assistance**

This component will consist of two subcomponents: consultancy support for Project implementation and supervision, including fiduciary, safeguards, and Project monitoring and reporting through the existing Moldovan Energy Project Implementation Unit (MEPIU), as well as entities' and Project's audits.

#### ***1.3. Project Location***

Project area covers Chisinau which is the capital and largest city of the Republic of Moldova. It is also the main industrial and commercial center, located in the middle of the country, on the river Bac, a tributary of Dniester river. The city population is of 532,513, while the population of the Municipality of Chişinău (which includes the city itself and other nearby communities) is about 662,836. The city lies in central Moldova and is surrounded by a relatively hilly landscape with very fertile soils. The geology of the city is composed by limestone, sand and clay layers, with a series of hydrogeological horizons, which make it favorable for various geological processes such as landslides and ravine erosion. The city has many green spaces, including several relatively large parks, - the biggest one is in the Botanica district, along the three lakes.

#### ***1.4. Anticipated Project Impacts***

Optimization of heat and electricity production and implementation of energy efficiency measures will have a positive impact on consumers by providing more reliable district heating services and increasing the efficiency of the district heating sector.

The Project will have a direct positive impact on 187 residential and public buildings through improved thermal energy supply services and by minimizing health impact caused by inefficient and dirty heating devices, indoor and outdoor air pollution. The Project will benefit women, who work or stay at home more often than men, children and other people who use facilities including kindergartens, schools and other educational and medical institutions.

The Project, also, will have positive long-term effects on the financial viability of the company, which will subsequently improve its employees' health and working capacity, through safer working conditions, appropriate training to increase productivity and improve their skills.

Both for component 1 and for component 2 there are no sensible areas and natural objects on the selected Project site, nor in its vicinity (natural vegetation or water courses, or protected areas).

It is anticipated that **the highest impact on the vicinity residential buildings and businesses in the area of sites for component 1 such as noise, traffic disturbance, dust etc., will be in the construction period.**

To anticipate and mitigate these impacts it is important to raise awareness of the local population (with the focus on directly affected residential buildings and on vicinity houses and businesses) about site safety and proper traffic behaviour, on road safety etc.

Even if the noise level is expected to increase significantly during the works, both for component 1 and component 2, the potential impact will be short-lived.

#### ***1.5. Purpose and objectives of SEP***

The purpose of the SEP is to provide a basis for a constructive relationship between „Termoelectrica” S.A. (as Beneficiary of the Project)/Project Implementation entities and the affected stakeholders over time. The SEP will cover the whole life of the Project, including pre-construction, construction and operation. The SEP also stipulates for stakeholders how their concerns are to be considered in the different phases of the Project.

The Key Objectives of the SEP can be summarised as follows:

- Provide guidance for stakeholder engagement such that it meets the WB's ESS 10 of ESF;
- Identify key stakeholders that are benefitted, affected, and/or able to influence the Project and its activities;
- Identify the most effective methods, timing and structures through which to share Project information, and to ensure regular, accessible, transparent and appropriate consultation;
- Develop a stakeholder engagement process that provides stakeholders with an opportunity to influence Project implementation;
- Establish a formal grievance redress/resolution mechanism;
- Define roles, responsibilities and resources for the implementation of the SEP;
- Define reporting and monitoring measures to ensure the effectiveness of the SEP and its periodical reviews based on findings.

## II. Regulation and Requirements

### 2.1. Legislation in Republic of Moldova

The legal context of DHEIP-2, in terms of public consultation and information disclosure, is governed, directly or indirectly, by the following national laws and documents:

- **Republic of Moldova Constitution / 1994** - Republished. Amended and completed, in 2016

*Article 32. Freedom of Opinion and Expression*

1. Every citizen shall be guaranteed the freedom of thought and opinion, as well as the freedom of expression in public by means of word, image or any other means possible.
2. The freedom of expression may not harm the honor, dignity or the rights of other people to have and express their own opinions or judgments.

*Article 34. Right of Access to Information*

1. The right of a person to have access to any kind of information of public interest shall not be curtailed.
2. Public authorities, according to their as-signed competence, shall be committed to ensure that citizens are correctly informed.
3. The right of access to information shall not prejudice neither the measures taken to protect the citizens or the national security.
4. The State and private public media shall be bound to provide the correct information of the public opinion.
5. The public media shall not be subject to censorship.

- **Law no.982 / 2000 on Access to Information**, as amended in 2003-2011-2015

The present law regulates:

- a) the interaction between the providers of information and individuals and/or legal entities during the exercise of their constitutional right to access information.
- b) the principles, conditions, ways and order of accessing official information held by the providers of the information;
- c) the rights of applicants for obtaining the information;



- d) the obligations of information providers to ensure access to official information;
- e) methods of safeguarding the right to information.

- **Law no.86 / 2014 on Environmental Impact Assessment**

This Law sets the basis for the functioning of the mechanism of environmental impact assessment of some public and private projects or some projected economic activities with a view of prevention or reduction the negative environmental impact and protection of public health at the initial stages of project performance. EIA shall be performed in accordance with the following principles: (a) preventive actions; (b) reliability and completeness of information. Public consultations for the projects which require a full EIA are compulsory at the initial stage of the project before preparing the EIA (at the scoping stage) and at a later stage, when the Statement on EIA is disclosed to the public prior to reviewing the final (updated) documentation by the state environmental authority. <sup>1</sup>

- **Law no.64 / 2010 on Freedom of Expression**, as amended in 2012-2013-2015

This law guarantees right to freedom of expression and regulates the balance between right to freedom of expression and defense of private and family life.

- **Law no.239 / 2008 on Transparency in Decision Making**

The law refers to the transparency of information linked with the decision-making process and to the consultation of stakeholders when drafting decisions. The consultation during the decision-making process aims at collecting, providing and exchanging information. The consultation with and involvement of citizens, civil society, and business environment in certain major issues guarantees a higher value of documents drafted and approved by the authorities and their support at the implementation stage.

According to this law, for the purpose of ensuring transparency in decision-making, the public authorities must go through the following stages:

- a) informing the public that the drafting of the decision has started;
- b) providing the draft decision with accompanying materials to the stakeholders;
- c) consulting the citizens, organizations and other stakeholders;
- d) examining the recommendations of citizens, organizations created pursuant to the law, and other stakeholders when drafting decisions;
- e) informing the public regarding the decisions adopted.

- **Law No. 190-XIII 190 / 1994 No. about submission of petitions** (as amended on 31-07-2015)

This law establishes procedure for consideration of petitions of the RM citizens addressed to the relevant authorities/bodies (further - "bodies") for the purpose of ensuring protection of petitioners' rights and legitimate interests.

In this law the petition is understood as any the statement, claim, t suggestion, appeal submitted to competent authorities, including a preliminary application challenging an administrative act or a failure to consider an application within the statutory deadline.

The Petitioner/Applicant who is not satisfied with the answer received on the preliminary application or did not obtain an answer within the statutory deadline has the right to appeal to the competent administrative court.

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<sup>1</sup> For projects not listed in the Law, public consultation is not compulsory, thus the procedure is not consistent with World Bank requirements for Category B projects. In such cases the ESMF requires to follow WB rules and for all category B projects necessary EA disclosure and public consultations.

The Petition is addressed in written or electronic form in the state or other language according to the Law on functioning of languages on the territory of the Republic of Moldova.

## 2.2. *World Bank Environmental and Social Standard on Stakeholder Engagement*

The WB's safeguard policies have been replaced in 2018 with the Environmental and Social Framework (ESF). Within the ESF, ten Environmental and Social Standards set out responsibilities for Borrowers. The Standards are designed to help Borrowers manage Project risks and impacts, as well as improve environmental and social performance, consistent with good international practice and national and international obligations. For a general overview of the ESF framework and all the standards in several languages, including English, French and Russian, please visit: <https://www.worldbank.org/en/projects-operations/environmental-and-social-framework>

The Environmental and Social Standard on **Stakeholder Engagement and Information Disclosure (ESS 10)** defines the requirements for stakeholder engagement and which guide the development of this SEP are the following:

- Establish a systematic approach to stakeholder engagement that helps Borrowers identify stakeholders and maintain a constructive relationship with them;
- Assess stakeholder interest and support for the Project and enable stakeholders' views to be considered in Project design;
- Promote and provide means for effective and inclusive engagement with Project-affected parties throughout the Project life-cycle; and
- Ensure that appropriate Project information is disclosed to stakeholders in a timely, understandable, accessible and appropriate manner.

Other standards that are applicable to this project include, but are not limited to:

**ESS 1 Assessment and Management of Environmental and Social Risks and Impacts** sets out the Borrower's responsibilities for assessing, managing and monitoring environmental and social risks and impacts associated with each stage of a Project supported by the Bank.

**ESS 2 Labor and Working Conditions** enhance the development benefits of a Project by treating workers in the Project fairly and providing safe and healthy working conditions.

Some of the objectives of this standard are:

- To promote safety and health at work.
- To promote the fair treatment, non-discrimination, and equal opportunity of Project workers.
- To protect Project workers, including vulnerable workers such as women, persons with disabilities, children (of working age, in accordance with this ESS) and migrant workers, contracted workers, community workers, and primary supply workers, as appropriate.
- To prevent the use of all forms of forced labor and child labor.
- To support the principles of freedom of association and collective bargaining of Project workers in a manner consistent with national law.
- To provide Project workers with accessible means to raise workplace concerns

**ESS 4: Community Health and Safety** addresses the health, safety, and security risks and impacts on Project-affected communities and to avoid or minimize such risks and impacts, with particular attention to people who, because of their particular circumstances, may be vulnerable.

### III. Brief Summary of Previous Stakeholder Engagement Activities

The specific nature of the Project required a broad engagement with various Project stakeholders and has been ongoing since 2018. Thus, the specific stakeholder engagement activities that have taken place during Project preparation include:

- Meetings between WB and GoM;
- Joint meetings and workshops with WB, MEI, TE and MEPIU; and
- Sites visits to collect primary data.

#### 3.1. Key Meetings/Consultations with Stakeholders During Project Preparation

In the course of developing the architecture of the Project, some preliminary stakeholder engagement activities have already been initiated with potential beneficiary of the Project (TE), government agencies and international donor organizations (WB). The meetings served to better understand the nature of existing DH system support programs, identify sector needs and gaps. An overview of consultations/meetings is presented in Table below. **The feedback and comments generated during these discussions have informed the design of the proposed operation and were summarized in the minutes to these events which can be attached as annexes to the SEP.**

**Table 1: Key Meetings/Consultations with Stakeholders During Project Preparation**

Engagement methods	Timing	Participants	Areas of discussion
Meeting	2018	WB representatives GoM representatives	- Possibility to conduct a study on the optimization of Chisinau DH system and fuel supply options with funding support by Sweden through WB's ESMAP program, together with the World Bank's Energy & Extractives Global Practice.
Consultation meeting	January 2019	WB representatives TE representatives MEPIU representatives	- Launch the Optimization of Chisinau District Heating System Options Study. - Study's timeline per component; - „Termoelectrica” S.A. investment plans; - Chisinau District Heating Sector Regulation; and - Other aspects.
Site visits	February 2019	WB representatives TE representatives MEPIU representatives	- Collect the primary data needed to develop the energy model of the DH system.
Workshop	October 11, 2019	Representatives of MoEI, Termoelectrica” S.A., other Moldovan stakeholders WB representatives	- Findings of the Optimization of Chisinau District Heating System Study - Next steps in Project implementation.

Engagement methods	Timing	Participants	Areas of discussion
International Conference	December 12, 2019	About 100 participants: energy specialists, representatives of central and local public administration, energy operators, both from the Republic of Moldova and from abroad, as well as academic and civil society.	- The Project's objectives and components.

## IV. Stakeholder Identification and Analysis

To ensure meaningful and effective consultations, an essential element of the stakeholder engagement process is the careful identification of potential stakeholders and examination of their concerns, expectations and preferences.

According to ESS 10 the Project's stakeholders are classified into three main groups: affected parties, other parties and vulnerable groups.

### 4.1. Affected Communities/Parties/Persons

Affected persons, groups and other entities within the Project Area that are directly or indirect influenced (actually or potentially, positively or adversely) by the Project. The affected parties under the project are:

- **Component 1:** The employees from the subdivisions affected by the modernization works – workers at CHP 2 (Source 1), CHP 1 (in future Source 3) and HOB West and the management team. Also, the inhabitants of the residential buildings and businesses in close proximity to the construction planned site, including local roads, are included in this group as they will be directly affected by the rehabilitation works. (See in the Annex section the list of building and private lands located in the construction area)
- **Component 2:** Consumers of district heating services from: 140 residential buildings and public institutions subject of installation of IHS, 40 buildings subject of reconstruction of internal heating distribution system, 7 residential buildings subject of thermal rehabilitation and managers of buildings/representatives of the buildings' management institutions. The table below presents the project affected parties and their interests at various project phases:

**Table 2: Project-Affected Parties and Their Interest**

Stakeholder Group/Persons:	Interest in Project or How Potentially Affected by Project:	
Project Affected Parties (PAPs)	Construction Phase	Operation Phase
<b>Component 1</b>		
The staff/employees from the subdivisions affected by the modernization works	<ul style="list-style-type: none"> <li>- modernization works could lead to potential personnel changes, such as: transfer to other units, transfer to other positions or even dismissals</li> <li>- potential impact on employee morale and productivity</li> <li>- noise and dust</li> </ul>	<ul style="list-style-type: none"> <li>- the new implemented technologies will require additional knowledge and skills from the personnel involved in the maintenance and operation of the new equipment</li> <li>- compliance with the new or updated labor safety standards</li> </ul>
The residential buildings and businesses to close proximity to the construction planned site	<ul style="list-style-type: none"> <li>- Possible temporary restricted access to local road for cars and pedestrian</li> <li>- Disturbance of local traffic, noise, dust generation.</li> </ul>	<ul style="list-style-type: none"> <li>- not identified at this stage</li> </ul>
<b>Component 2</b>		
the consumers of 140 residential buildings and public institutions	<ul style="list-style-type: none"> <li>- noise and dust</li> </ul>	<ul style="list-style-type: none"> <li>- beneficiaries from modernized and efficient heating and DHW preparation systems</li> <li>- lower costs of heating and hot water services</li> </ul>
consumers from 40 buildings, where the internal heat and DHW distribution systems are reconstructed	<ul style="list-style-type: none"> <li>- noise and dust</li> </ul>	<ul style="list-style-type: none"> <li>- heating regulation at apartment level</li> <li>- lower costs of heating and hot water services</li> </ul>
consumers from 7 residential buildings	<ul style="list-style-type: none"> <li>- noise and dust</li> </ul>	<ul style="list-style-type: none"> <li>- better-quality services</li> <li>- decrease of thermal energy losses at block and apartment level</li> <li>- lower costs of heating services</li> </ul>
Managers of buildings/representatives of the buildings' management institutions	<ul style="list-style-type: none"> <li>- noise and dust</li> </ul>	<ul style="list-style-type: none"> <li>- represent the interests of the tenants of the residential buildings that will benefit from investments</li> <li>- they are a middle link in the communication between TE and the tenants</li> <li>- decrease of the number of complaints by the tenants regarding the services of heating and supply of hot water</li> </ul>

#### 4.2. Other Interested Parties/Persons

Other interested parties are individuals/groups/entities that may not experience direct impacts from the Project but who consider or perceive their interests as being affected by the Project and/or who could affect the Project and the process of its implementation in some way.

The following table presents the list of other interested parties that have been identified to date. The list may be supplemented with additional organizations as project preparation and implementation evolves:

**Table 3: Other Interested Parties and Their Interest/Influence**

Authority	Interest in/Influence on the Project
<b>National</b>	
Ministry of Economy and Infrastructure - Moldova Energy Projects Implementation Unit - „Termoelectrica” S.A.	- Daily Project implementation, including monitoring of ESMPs, SEP, LPM and GRM implementation.
Ministry of Agriculture, Regional Development and Environment	- Environmental management, prevention of pollution, issue permits, ESIA, biodiversity.
Ministry of Health, Labor and Social Protection	- Local employment and labor conditions, vulnerable people.
Ministry of Finance	- Approval of payments and financing. - Monitoring of management of flow of funds.
Public Property Agency (PPA) - the main shareholder of „Termoelectrica” S.A.	- Through the Company’s Administration Board and General Assembly authorizes the high value transactions, - Establishes the priority directions of the company's activity including regarding the implementation of major investment projects; - Decides on the distribution of the annual net profit, thus influencing the financing of investment projects and accumulation of capital reserves for credit / debts repayments - Through company’s administrative bodies approves corporate operational regulations / procedure including on fields of environmental and labor protection, public transparency and information disclosure etc.
National Agency for Energy Regulations (ANRE)	- Supervises the activity of the energy sectors and the way the energy sector enterprises comply with the normative acts - Promotes an appropriate tariff policy that is consistent with the market economy principles so as to ensure the protection of the end-user rights and the profitability of energy companies; - Approves the tariffs calculated according to ANRE approved methodologies, thus influencing the financial and economic stability of the company, the ability to cope with creditors’ payments.

Authority	Interest in/Influence on the Project
<b>Local level</b>	
Chisinau Mayorality and municipal Sectors Headquarters	<ul style="list-style-type: none"> <li>- Elaborates and implements policies in the field of urbanism, planning of municipal territory,</li> <li>- interested in organizing and developing qualitative, safe and environmentally friendly public services,</li> <li>- interested in public services at affordable prices for the municipal population, especially for vulnerable groups,</li> <li>- interested in reducing social tension due to non-qualitative public services.</li> </ul>
<b>Non-Governmental</b>	
Academy of Environmental Governance of Moldova National Environmental Center National Agency for Energy Conservation National Institute of Ecology	<ul style="list-style-type: none"> <li>- are involved in the research, academia in the fields that are affected by the project activities;</li> <li>- serve as alternative sources of knowledge in the areas/domain served by the project.</li> </ul>
<b>International</b>	
International Financial Institutions	<ul style="list-style-type: none"> <li>- interested in reaching the development impact of the projects they fund</li> </ul>
<b>Contractors</b>	
Consultants and Contractors	<ul style="list-style-type: none"> <li>- interested in the project activities and timely implementation if selected</li> </ul>

### 4.3. *Disadvantaged/Vulnerable Individuals or Groups*

Disadvantaged and vulnerable groups are persons who may be disproportionately impacted or further disadvantaged by the Project as compared with any other groups due to their vulnerable status, and that may require special engagement efforts to ensure their equal representation in the consultation and decision-making process associated with the Project.

The project does not specifically target vulnerable groups and households. The investments are going to benefit all the residents of the residential units covered by the project. However, it is expected that the vulnerable households will benefit more from the rehabilitated infrastructure and improved efficiency which is expected to decrease the share of the vulnerable household income spent on heating.

That said, the Project recognizes that vulnerable people require special consideration, as they might be unable to participate, to the full extent, in the consultation activities, and may also be disproportionately affected by some impacts. The implementation entities will closely monitor the consultation process to ensure access and awareness of the project benefits to the following vulnerable categories:

- Retirees and elderly of the affected enterprise's subdivisions, employees in the 55+ age group, employees with disabilities and those affected by other vulnerabilities as soon as they are identified;

- People with illness or disability and households with disabled members and those with illnesses;
- Elderly and infirm;
- Minority ethnic groups and religious groups; and
- Poor households who are recipients of social benefits/heating benefits.

#### 4.4. Summary of Stakeholder Interest in and Influence over the Project

When deciding the frequency and the appropriate engagement technique used to consult a particular stakeholder group, two criteria must be considered:

- The extent of influence of the stakeholder group on the Project; and
- The extent of interest in Project implementation.

The table below summarizes the potential roles, interests and influence for each of the above-mentioned stakeholder groups.

**Table 4: Analysis and Prioritization of Stakeholder Groups Based on Level of Interest in and Influence over the Component 1 and 2 of the Project**

Categories of Stakeholders	Role	Level of Analysis (H=High, M=Medium, L=Low)	
		Interest	Influence
<b>Affected parties</b>			
Project Affected Parties/Persons (PAPs)/ Directly Affected Parties	Beneficiaries of investments	H	M
Indirectly Affected Parties (IAPs)	Information	M	H
Vulnerable groups	Beneficiaries of investments	H	L
<b>Interested parties</b>			
Ministry of Economy and Infrastructure – Moldova Energy Projects Implementation Unit – „Termoelectrica” S.A.	Lead in implementation	H	H
Other national Authorities	Regulation, approvals, implementation	M	H
Municipality authorities	Engagement/ Distribution of information related to the Project. Representing interests of locals.	M	M
Mass media and NGOs	Communication/public information	M	M
Financial institution/donors	Funding, technical assistance	H	H
Consultants and Contractors	Collaboration, implementation	H	M



## V. Stakeholder Engagement Program

### 5.1. Planned Stakeholder Engagement Activities

The future stakeholder engagement programme phases are outlined below:

- Preparation & Pre-construction. This phase will begin prior to Project effectiveness and to the launch of individual activities;
- Construction; and
- Operation.

This SEP covers the proposed engagement activities for these phases according to the anticipated needs of stakeholders.

The main engagement tools and methods will be:

- **Public consultation/group meetings** - the disclosure of information should support consultation. Consultation is a two-way process of dialogue between the Project implementation team and Project stakeholders.

At the stage of SEP preparation, the potential beneficiaries of investments included in the Component 2 of the Project are not yet clearly identified. Consequently, in preparation phase of the Project and pre-construction the implementation entities will consult a pilot group of about 15-20 managers of potential beneficiary buildings. Thereby, these managers will take over the role of Project ambassadors in the information process. The other beneficiaries will be consulted as soon as they are identified over the period of one year. Also, additional consultations will be held at the request of the beneficiaries or when the implementing entities will consider necessary to use this information and feedback tool during implementation period.

The results of such consultations will be documented and posted on MEPIU's website.

- **Leaflets** –leaflets with information that might present more interest for affected parties, such as the benefits of proposed investments, will be developed and distributed in the meetings/ public consultations, will be placed on information boards at Source 1, Source 2, HOB West and residential/public buildings that will benefit by investments, and will be published on the websites of MEPIU and TE.
- **Information boards** - establish Information Boards in each Project area/building. On these information boards will be placed the information related to the Project, relevant for every phase of Project implementation.
- **Individual meetings** –individual meetings will be held with the affected people at their request, also with people from vulnerable groups (if such cases are identified) in order to find and implement solutions to some specific situations or issues.
- **MEPIU and TE websites** – the web sites of the implementing agencies will be the main information tools during Project implementation. Short descriptions will be developed in an accessible and proper language for websites on benefits of planned investments, mitigation measures during construction phase etc.
- **Letters** – the letters will be an instrument used in order to facilitate the Project implementation process through good collaboration between the implementing entities and other stakeholders.
- **Reports** – the reports will be used to monitor the Project implementation and to keep informed the main stakeholders of the Project.
- **E-mails** – to facilitate communication between implementing entities.

Below is a plan for engaging relevant stakeholders throughout the Project cycle. The Plan presents an action plan for specific activities, as well as engagement and communication activities, and the main topics for every engagement activity.

It is important to keep in mind that the situation is dynamic and that some stakeholders and their interests might change over time.

In order to keep the Project stakeholders informed about Project progress and implementation challenges throughout the Project cycle. The tables below present a proposed stakeholder engagement programme covering all aspects of Project implementation, including compliance with both the national and World Bank environmental and social requirements.

**Table 5: Overview of planned communication and engagement activities of Project Affected Parties**

Stakeholder group	Engagement methods	Frequency/location	Topics			Responsible stakeholders
			Preparation & pre - construction	Construction	Operation	
<b>Component 1</b>						
<b>PAPs/DAPs</b> (including vulnerable groups)	Public consultation/group meetings	at least twice per year	General planned Project implementation process Environmental and social impacts mitigation measures	GRM Benefits of the Project Labour Management procedures Mitigation measures Other information as requested	GRM Other information as requested	TE/MEPIU
	Information boards at TE's subdivisions	Permanently	Planned engagement activities and timing/ SEP implementation			
	MEPIU and TE websites	Permanently	Labour management procedures Internal GRM and GRM for communities Benefits of the Project Other information as requested			
	Information boards on construction sites	Permanently				
<b>Component 2</b>						
<b>Managers of buildings - pilot group</b>	Public consultation/group meetings	In the Project preparation stage	General planned Project implementation process Environmental and social impacts mitigation measures Planned engagement activities and timing/ SEP implementation Labour management procedures GRM Benefits of the Project Other information as	-	-	TE/MEPIU

Stakeholder group	Engagement methods	Frequency/location	Topics			Responsible stakeholders
			Preparation & pre - construction	Construction	Operation	
			requested			
<b>Managers of all beneficiaries' buildings</b>	Public consultation/group Meetings	2 meetings - at the beginning and the end of the construction works. <sup>2</sup> Additional meetings, if MEPIU and TE will identify the need for additional meetings		General planned Project implementation process Environmental and social impacts mitigation measures Planned engagement activities and timing/ SEP implementation Labour management procedures GRM Benefits of the Project Other information as requested	On request or if MEPIU and TE will identify the need for additional meetings	TE/ MEPIU/ Contractors
	Leaflets	<ul style="list-style-type: none"> <li>▪ Distribution in group or individual meetings/public consultation</li> <li>▪ Placing on information boards</li> </ul>	GRM Benefits of the Project	GRM Benefits of the Project	Project results	TE
	MEPIU and TE websites	Permanently	General planned Project implementation process Environmental and social impacts mitigation measures Planned engagement activities and timing/ SEP implementation		Project results	TE/MEPIU

<sup>2</sup> Based on the previous experience, the construction phase will last about 6 months.

Stakeholder group	Engagement methods	Frequency/location	Topics			Responsible stakeholders
			Preparation & pre - construction	Construction	Operation	
			GRM Benefits of the Project Other information as requested			
	TE's call center Viber	During operation stage	-	-	GRM Other information as requested	TE
<b>PAPs/DAPs</b> (people from beneficiary public and residential buildings, including vulnerable groups)	Public consultation/group meetings	2 meetings - at the beginning and the end of the construction works. <sup>3</sup> Additional meetings, if MEPIU and TE will identify the need for additional meetings	General planned Project implementation process Project benefits <sup>4</sup>	General planned Project implementation process Planned information and engagement activities and timing (SEP implementation) Environmental and social impacts mitigation measures (ESMPs including GBV) GRM Benefits of the Project Other information as requested	-	TE/MEPIU/ Contractor
	Leaflets	Distribution in group or individual	Project benefits	GRM Project benefits	Project results	TE

<sup>3</sup> Based on the previous experience, the construction phase will be about 6 months.

<sup>4</sup> In the preparation/pre-construction stage the formal consultation process with the potential beneficiaries will be carried out in order to obtain their agreement on the implementation of the project's component. Partnership agreements will be signed before construction begins.

Stakeholder group	Engagement methods	Frequency/location	Topics			Responsible stakeholders
			Preparation & pre - construction	Construction	Operation	
		meetings/public consultation Placing on information boards				
	MEPIU and TE websites, Social media	Permanently	Planned information and engagement activities and timing Environmental and social impacts mitigation measures GRM Benefits of the Project		Project results	TE/MEPIU
	TE's call center Viber	During operation period	-	-	GRM Other information as requested	TE
<b>IAPs</b>	Workshop	If necessary	General planned Project implementation process Planned information and engagement activities and timing (SEP implementation)- Environmental and social impacts mitigation measures GRM Benefits of the Project Other information as requested	Monitorization of Project implementation process Stakeholders engagement, including vulnerable group ESMPs implementation GRM implementation Benefits of the Project Other information as requested	Information on request	TE/ MEPIU/ Contractor
	Public consultation	Twice a year				
	MEPIU and TE websites Social media	Permanently				
	Letters	When necessary				

Table 6: Overview of planned communication and engagement activities for other interested parties

Stakeholder group	Engagement methods	Frequency/location	Topics			Responsible stakeholders
			Preparation & pre - construction	Construction	Operation	
<b>MEI</b> - <b>MEPIU</b> - <b>TE</b>	Meetings	weekly	Design of stakeholders' engagement process Selection of Consultant and Contractors Project design Set-up GRM Other information	Construction monitorization Implementation of ESMPs, SEP, LMP and other safeguards requirements GRM Other information as requested	GRM Other information as requested	TE/MEPIU
	Reports	weekly				
	Letters and E-mail	When necessary				
<b>Other national Authorities</b>	Letters Meetings	Before construction works begins	Information necessary for obtaining approvals, permits and/or for coordination of the documents, according to national laws Other information as is requested	It will be determined	Information on request	MEI/MEPIU/TE

Stakeholder group	Engagement methods	Frequency/location	Topics			Responsible stakeholders
			Preparation & pre - construction	Construction	Operation	
<b>Municipality authorities</b>	Letters Meetings Public consultations E-mails MEPIU and TE websites	At least twice a year	Pre-construction Planning Project design Presentation of safeguards documents, with emphasis on the role of the municipal authorities in the implementation of the Project and in particular in the application of the impacts' mitigation measures on the community	Construction work monitorization Implementation of ESF, ESMPs, SEP, LMP and other safeguards requirements; GRM Other information as requested	Information on request	MoEI/MEPIU/TE
<b>Mass media, NGOs and Farmers associations</b>	Letters Press-releases Meetings Public consultations MEPIU and TE websites	At least twice a year	Benefits of the Project Invitation to public consultation Other information if requested	Start of construction works Information on request	Information on request	MoEI/MEPIU/TE
	Leaflets	Distribution in group or individual meetings/public consultation Placing on information boards	Project benefits	GRM Project benefits	Project results	TE
	MEPIU and TE websites, Social media	Permanently	Planned information and engagement activities and timing Environmental and social impacts mitigation measures GRM Benefits of the Project		Project results	TE/MEPIU



Stakeholder group	Engagement methods	Frequency/location	Topics			Responsible stakeholders
			Preparation & pre - construction	Construction	Operation	
	TE's call center Viber	During operation period	-	-	GRM Other information as requested	TE
<b>Financial institution (WB)</b>	Letters E-mails		Bidding Documents Pre-construction Planning Safeguards documents development GRM set-up Other information	Construction works Monitorization Implementation of ESF, ESMPs, SEP, LMP and GRM; Other information as requested	GRM Information on request	MoEI/ TE/ MEPIU/
	Meetings	at least twice a year				
	Reports	Quarterly				
<b>Consultants and Contractors</b>	Letters, E-mails, Meetings	when necessary	Procurement process ESMPs/ESAP, LPM, Code of Conduct elaboration and coordination Development of design Other information as requested	Construction monitorization Implementation of ESMPs, LMP and GRM; Other information as requested	will be identified after the completion of the construction stage	Consultants/ Contractors /MEPIU/TE
	Reports	Weekly and monthly				

### **5.2. *Timeline for Provision of Comments and Feedback***

Termoelectrica SA and the Project Implementation Unit will provide appropriate background and relevant technical or non-technical information to stakeholders' whose feedback is sought on with sufficient advance notice (5-10 business days) so that the stakeholders have enough time to prepare to provide meaningful feedback. The PIU team will gather (written and oral comments), review and summarize them and commit to report back to stakeholders on how those comments were incorporated, and if not, provide the rationale for reasons for why there were not within 10 to 30 working days from the stakeholder engagement event either.

### **5.3. *Proposed Strategy for Information Disclosure***

The implementation entities will disclose Project information to allow stakeholders to understand the risks and impacts of the Project, and potential opportunities. Stakeholder engagement depends on timely, accurate, accessible, and comprehensible information. Making available Project-related information as early as possible is important.

Finalize Stakeholder Engagement Plan (SEP) and implement it.

Prior to the Project appraisal, the following documents will be prepared and disclosed:

1. Environmental and Social Impact Assessment (ESIA) & Environmental and Social Management Framework (ESMF);
2. Labour Management Procedures (LMP); and
3. Stakeholder Engagement Plan.

A contractor(s)' Environmental and Social Management Plan (C-ESMP) and contractor(s)' Labour Management Procedure (C-LMP) for component 1 and Site-specific Environmental and Social Management Plans (ESMPs) and C-LMP for component 2 will be disclosed prior commencement of civil works.

Reports and the documents mentioned above will be available to the public for a period of 20 days to provide comments and suggestions.

The table below provides a preliminary summary of the suggested information to be disclosed based on the Project design and topics that might be of interest to stakeholders. The table should be finalized following discussions with the WB and **Ministry of Education and Science** Project teams.

Table 7: Information Disclosure Strategy

Project component	List/ Type of information to be disclosed	Methods of disclosure proposed	Timing/Frequency	Target stakeholders	Responsible stakeholders
All	Proposed Project Design; PAD (check the WB requirements for PAD disclosure)	MEI, MEPIU and TE website; distribution via email to municipality authorities	Prior to the Project appraisal	All	TE/MEPIU/WB team
All	ESIA & ESMF documentation that is required for disclosure by the WB, including Stakeholder Engagement Plan, Labour Management Procedures and GRM description	MEI, MEPIU and TE website; distribution via email to municipality authorities; distribution of hard copies to national and municipal authorities and to managers of potential beneficiaries buildings	Prior to the Project appraisal	All	TE/MEPIU/WB team
<b>Component 1: Optimization of Heat and Electricity Generation</b>	C- ESMP C -LMP	Post on MEPIU and TE website; Brief summary of these documents will be placed on informational boards from TE's subdivision	Prior civil works begins	DAPs and IAPs (see Table 2)	TE/MEPIU/Contractor
<b>Component 2: Pilot Energy Efficiency Investments</b>	Site specific ESMPs C -LMP	Post on MEPIU and TE website; Brief summary of these documents will be paced on informational boards from beneficiaries public and residential buildings	Prior civil works begins	DAPs and IAPs (see Table 2)	TE/MEPIU/Contractor

#### **5.4. Future Phases of Project**

Information materials will be developed to keep the stakeholders informed on Project activities and its environmental and social performance, including a summary of how and when the results of stakeholder engagement activities and grievance handling are reported back to affected communities and/or broader stakeholders. Information which will be disseminated to stakeholders during Project implementation includes the following:

- Non-technical environmental and social assessment reports;
- Ad hoc reports / newsletters on the TE and MEPIU web sites;
- Information on Project implementation and mitigation measures in each phase of Project implementation will be placed on the information boards in all TE's affected subdivisions and affected public and residential buildings;
- Project's annual reports on SEP implementation process
- GRM implementation, including resolution for anonymous grievances etc.

## **VI. Resources and Responsibilities for Implementing Stakeholder Engagement Activities**

### **6.1. Implementation Arrangements**

Ministry of Economy and Infrastructure (MoEI) will oversee Project implementation on behalf of the GoM. MoEI's role will be to ensure that the Project is implemented in an efficient manner, consistent with the Project objectives and agreements.

The main implementing agency is „Termoelectrica” S.A. which will be closely involved in all stages of Project design and implementation: procurement design, preparation of bidding documents (especially technical specifications), evaluation of bids and selection of contractors, engineering design, construction, installation, testing, commissioning, and quality control. „Termoelectrica” S.A. is certified under both ISO 14001 (Environmental Management) and ISO 18001 (Operational Health and Safety Management System), and has in its structure three subdivisions responsible for the issues related to environmental safeguards (Chemical Service, in charge of all environmental issues; Safety and Occupational Hazards divisions).

The daily Project implementation duties will be delegated by the MoEI to its Project Implementation Unit (MEPIU), established under the Government's Decree No 1276 of December 21, 2000, as an autonomous legal entity, responsible for the day-to-day management of IFIs-funded Projects. MEPIU will take on the reporting functions on behalf of the Government and will carry out the fiduciary responsibilities (disbursement, financial management, procurement, and monitoring & evaluation) under the Project in compliance with the requirements of the Environmental and Social Standards of the World Bank, to be outlined in the Financing Agreement and Project Operational Manual. The unit is staffed with highly qualified and experienced professionals, both in technical, as well as environment and social aspects, procurements and will ensure Project implementation in accordance with Project ESF documents.

### **6.2. Roles and Responsibilities**

A core Stakeholder Liaison Team comprised of MEPIU staff (Social and Environmental and Health and Safety Consultants) and TE staff from the Human Recourses Subdivision, the Commercial Department, Technical Department and the Public Relations Department will take responsibility for and lead all aspects of the stakeholder engagement. However, to implement the various activities envisaged in the SEP, the Stakeholder Liaison Team will need to closely coordinate with other key stakeholders – other national (see Table 3) and local (Mayor's Office of Chisinau city) authorities,

the contractor along with sub-contractors and PAPs/DAPs. The roles and responsibilities of these stakeholders are summarized in the Table below.

**Table 8: Responsibilities of Key Actors/Stakeholders in SEP Implementation**

Actor/Stakeholder	Responsibilities
MEPIU	<ul style="list-style-type: none"> <li>- Plan, implement and monitor SEP activities;</li> <li>- Lead and coordinate stakeholder engagement activities;</li> <li>- Collect stakeholder feedback through public consultation and group meetings and bilateral meetings;</li> <li>- Manage the grievance redress mechanism at Project level, communicate grievances regularly through monitoring reports;</li> <li>- Manage the grievance mechanism for Project workers;</li> <li>- Coordination/supervision of contractors on SEP activities;</li> <li>- Monitoring and reporting on environmental and social performance to MoEI and the World Bank.</li> </ul>
TE	<ul style="list-style-type: none"> <li>- Lead stakeholder engagement activities within the Enterprise and at community level;</li> <li>- Coordinate with MoEI, PPA, Chisinau Mayoralty and NGOs to implement outreach activities;</li> <li>- Local focal point for internal GRM ;</li> <li>- Manage the grievance mechanism at Project level;</li> <li>- Discloses all documents, distributes outreach material as needed;</li> <li>- Facilitate the organization of stakeholder meetings to present Project progress and collect feedback about Project.</li> </ul>
Contractors/sub-contractors	<ul style="list-style-type: none"> <li>- Inform MEPIU and TE of any issues related to their engagement with stakeholders;</li> <li>- Transmit and resolve grievances caused by the construction activities (first level of GRM at Project level) in close collaboration with and as directed by TE/ MEPIU Implementation Consultants;</li> <li>- Prepare, disclose and implement various plans (e.g. C-ESMP, Labor Management Plan, etc.);</li> <li>- Inform local communities of any environmental monitoring e.g. noise, vibration, dust;</li> <li>- Inform the workers of GRM for workers;</li> <li>- Inform local communities of GRM at Project level;</li> <li>- Announce important construction activities (such as restriction of access and available alternatives).</li> </ul>
Chisinau City Mayor's Office	<ul style="list-style-type: none"> <li>- Issue permits (as required)</li> <li>- Respond to E&amp;S risk management requests from community</li> <li>- Facilitate information requests and grievances by transfer to the TE and MEPIU</li> <li>- Discloses all documents, distributes outreach material as needed.</li> </ul>
National Authorities (See Table 2)	<ul style="list-style-type: none"> <li>- Monitor Project compliance with Republic of Moldova legislation;</li> <li>- Participate in the implementation of some activities in the ESMP/RPF and SEP.</li> </ul>

Actor/Stakeholder	Responsibilities
Project Affected Parties	<ul style="list-style-type: none"> <li>- Invited to engage and ask questions about the Project at Project meetings and through discussions with MEPIU and TE appointed persons;</li> <li>- Lodge their grievances using the GRM defined in the SEP (Section VII Grievance Redress Mechanism);</li> <li>- Help the implementing entities to define mitigation measures.</li> </ul>

### 6.3. Estimated Budget

The budget for stakeholder engagement activities at this stage of the Project is still being developed.

## VII. Grievance Redress Mechanism

Addressing grievances raised by individuals/groups/entities affected by World Bank-funded Projects is an important component of managing Project risks. A GRM can serve as an effective tool for early identification, assessment and resolution of grievances and therefore for strengthening accountability to beneficiaries. The GRM serves as an important feedback mechanism that can improve Project impact and mitigate the risks. The GRM mechanism will be available to Project stakeholders and other affected parties, enabling them to submit questions, comments, suggestions and/or complaints and provide any form of feedback on all Project-funded activities.

As part of their first interactions with TE and contractors' representatives, beneficiaries and other affected parties should be informed of a company's intention to establish a grievance redress mechanism and continue to be reminded of this mechanism on a regular basis during Project implementation. „Termoelectrica” S.A., the contractors should emphasize the objectives of the grievance system and the issues it is designed to address.

The company's grievance officers should be responsible for publicizing the procedure through the most appropriate methods as follows:

**Table 9: Information Methods of Grievance Redress Mechanism**

Methods	What to consider
Face-to-Face Meetings (group or individual)	Group meetings work especially well where each impact of operations on communities affects at least several people. Individual meetings would be more appropriate when an issue is specific to one person. Face-to-face interaction is also effective where literacy levels are low.
Printed Materials, Grievance Forms (for written complaints)	They should be visually engaging and easy to understand (e.g., consider drawings in lieu of text), especially where literacy levels are low. Grievance forms for written complaints can also include key facts about the procedure
Displays (stands, wall mounts on target building)	Displays are useful to show key facts about the grievance mechanism or to publicize contact information for grievances. Where communities live in close proximity to operations, use company premises and equipment to hold displays. Consider asking permission to put displays in public places that community members frequently visit
Company Representatives	Establish a personal connection with the affected parts through a local presence or visits by company representatives responsible for handling grievances. Equip employees with necessary information about grievance procedures; where grievance procedures are fairly complex, consider providing training for employees.

<b>Methods</b>	<b>What to consider</b>
Third Parties (contractors, MEPIU representatives)	In the materials the company provides to communities, include information about third parties that are authorized to speak on the company's behalf.
Online (Web site and Email)	If information about the mechanism is provided on the company Web site, then publicize the Web site to communities through methods described above.
Training Sessions (for communities)	Consider bringing Project management staff (e.g., environmental, health and safety division, Project operations management) and communities together during training sessions to facilitate understanding of Project operations.

### 7.1. Internal Grievance Redress Mechanism

The internal GRM is meant to TE's employees that are anticipated to be affected by implementation of component 1 of the Project.

Through this mechanism the employees will be able to express any concerns, ask questions about the Project or express their dissatisfaction.

The employees will be able to express their dissatisfaction/grievance or question using the existing internal grievance redress mechanism of TE. According to this, the employees express their grievances in writing or verbally to the head of the subdivision in which he/she works and to whom he/she is subordinate. The head of subdivisions will give him/her an answer if he/she holds the necessary information, otherwise he/she will direct the dissatisfaction or question to enterprise's departments corresponding to grievance's type/content. However, the heads of potential affected subdivisions will report weekly to the top management on grievances received.

Employees will also be able to file a grievance regarding the Project in the Chancellery, office 202. These grievances will be sent directly to the top management.

It would be opportune if the employees could get a satisfactory answer directly from the head of their subdivision. In this way, any grievances will be solved more quickly.

Therefore, the heads of the subdivisions that are planned to be affected by the implementation of component 1 of the Project will be informed in depth about the details of the Project and will be trained on the grievance redress mechanism in order to help their subordinates to cope with the inconveniences and possible changes.

Preferred methods: face-to-face meetings, printed materials, training sessions.

### 7.2. External Grievance Redress Mechanism

In addition to the above, within the Project will be established a two-level grievance management structure to address the public and PAPs concerns and complaints within the Project implementation.

The implementation entities intend to establish the following channels through which citizens/beneficiaries/Project Affected Persons (PAPs) can make complaints/ suggestions/compliments regarding Project-funded activities:

<b>Moldova Projects Implementation Unit</b>	<b>Termoelectrica S.A.</b>
Chisinau,1, Alecu Russo St., office 163	Chisinau, 6, Tudor Vladimirescu st.
Tel: (+373) 22 496790	Tel: (+373) 22 43-64-59
Fax: (+373) 22-49-67-90	Fax: (+373) 22 49-50-97
Email: mepiu@mepiu.md	Email: anticamera@termoelectrica.md
Verbal complaints addressed to Project staff could be recorded in writing by the receiver	



If the complainants will use the other existing TE's channel for consumers grievances (call center, viber number), these grievances will be directed to TE's Project/components managers.

**I level – Site/sub-Project.** The Project affected persons and stakeholders at site level will have the option to report their complaints/feedback to the site/sub-Project implementing contractor. The implementing agency/contractor will be responsible for addressing the complaint/feedback within 5 days of being apprised of the issue.

The contractor's staff is responsible for maintaining logs of the complaints/feedback received, as well as issues that have been resolved and those which are pending and report bi-weekly to TE and MEPIU. If the issue cannot be resolved at the sub-Project/site level, then the site level engineer/safeguards staff will immediately direct the grievance to a higher level, to the TE/MEPIU.

**II Level.** If there is a situation in which there is no response from the local/site level, or if the response is not satisfactory then complainants and feedback providers have the option to contact the TE and MEPIU directly to follow up on the issue.

The grievances/complaints at every level will be recorded, examined and solved no later than 2 weeks from their receipt.

Preferred methods: face-to-face meetings, printed materials, training sessions for block administrators, stands / wall mounts on target residential buildings or in the courtyards, online (Web site and Email).

### **7.3. *Grievance Records and Documentation***

Each complaint should be assigned with an individual reference number and appropriately tracked and recorded actions are completed. The all grievances submitted will be registered/entered in to a unique register/database by TE and MEPIU.

A simple database will be developed under the Project to manage and monitor grievances. The documentation on grievances will include:

- the name and contact details of the complainant;
- the date and nature of the complaint;
- the name of the staff charged with addressing the complaint;
- any follow up actions taken;
- the proposed resolution of the complaint; and
- how and when relevant Project decisions were communicated to the complainants.

The verbal grievances will be received by Contractor's officers, but if the grievance cannot be solved at the sub-Project/site level, it will be suggested to the complainant to file a written grievance/complaint or to use the number phone and email address appointed for Project grievances in order to be directed to second levels.

### **7.4. *Grievance Closure***

A grievance will be "closed" when a resolution satisfactory to all parties has been reached. In certain situations, however, it is possible to "close" a grievance even if the complainant is not satisfied with the outcome. This could be the case, for example, if the complainant is unable to substantiate a grievance, or if there is an obvious speculative or fraudulent attempt.

In such situations, the efforts to investigate the complaint and to arrive at a conclusion will be well documented and the complainant will be advised of the situation.

If the complainant is not satisfied by the response or the proposed solution, he/she may appeal to court.



### 7.5. *Communication on the GRM*

The GRM will be presented and explained in the meetings with PAPs, in the public consultations, in the leaflets, it will be placed on the informational boards/panels and on the MEPIU and TE websites.

Besides, all information on GRM will be provided on request.

The training for Project GRM will be conducted for contractors' safeguards staff. The training will approach the subjects on recording, examination, response to the grievances and documentation on the grievances.

## VIII. Monitoring and Reporting

TE, MEPIU and Contractors will appoint the officers in charge of functioning of Project GRM.

„Termoelectrica” S.A. /MEPIU will maintain a database and activity file detailing all public consultation, disclosure information and grievances collected throughout the Project, which will be available for public review on request.

MEPIU will also closely monitor the effective implementation of all safeguards' instruments (Environmental and Social Management Plan (ESMP), SEP and the Grievance Redress Mechanism designed under the Project).

### 8.1. *Quarterly Reports*

The MEPIU and TE will prepare quarterly reports on stakeholder engagement activities for the World Bank, to include:

- Activities conducted;
- Public outreach activities (meetings with stakeholders and newsletters);
- Entries to the grievance register;
- Entries to the commitment and concerns register;
- The number of site visits and their outcome; and
- New stakeholder groups (where relevant).

The results of the GRM will be reported semi-annually to WB and posted on MEPIU's website.

### 8.2. *Annual Reports*

MEPIU/TE will compile a report summarising SEP results on annual basis. This report will provide a summary of all public consultation issues, grievances and resolutions. The report will provide a summary of relevant public consultations' findings from informal meetings held at community level.

## IX. References

The World Bank Environmental and Social Management Framework, the World Bank, 2017

ESS10 Guidance Notes, the World Bank, 2017

The draft Project Appraisal Document, the Word Document, 2020

Good Practice Note Addressing Gender Based Violence in Investment Project Financing involving Major Civil Works, the World Bank, 2018

Legislation of Republic of Moldova on public information, environmental impact assessment, health and safety and petitions

## X. Annexes

### ANNEX 1 – Grievance Registration Form

<p>Reference No: _____</p> <p><i>Note: you can remain anonymous if you prefer or request not to disclose your identity to the third parties without your consent. In case of anonymous grievances, the decision will be disclosed at the MEPIU website <a href="http://www.mepiu.md">www.mepiu.md</a></i></p> <p>First name _____</p> <p>Last name _____</p> <p><input type="checkbox"/> I wish to raise my grievance anonymously</p> <p><input type="checkbox"/> I request not to disclose my identity without my consent</p> <p><input type="checkbox"/> Contact Information</p> <p>Please mark how you wish to be contacted (telephone, e-mail).</p> <p><input type="checkbox"/> By Telephone: _____</p> <p><input type="checkbox"/> By E-mail _____</p> <p><input type="checkbox"/> I will follow up the resolution at the website as I want to remain anonymous</p> <p>Preferred Language for communication:    <input type="checkbox"/> Romanian    <input type="checkbox"/> Other (<i>indicate</i>) _____</p> <p>Description of Incident or Grievance (<i>What happened? Where did it happen? Who did it happen to? What is the result of the problem? Date of Incident/ Grievance</i>)</p> <p><input type="checkbox"/> One-time incident/grievance (date _____)</p> <p><input type="checkbox"/> Happened more than once (how many times? _____)</p> <p>Signature: _____ Date: _____</p> <p>Please return this form to: Termoelctrica S.A., Moldova Projects Implementation Unit</p>
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**ANNEX 2 – List of Buildings and Private Lands Located in the Construction Area of Component 1**

No.	Real estate	Cadastral number	Address, street	Purpose	Area	Owner
1	Land plot	0100518.705	26 Prunului/A	For construction	0.2659 ha	Tataru Vasile Chisinau, 130. M. Dosoftei str., bld. D, apt. 17
2	Construction	0100518.705.01	26 Prunului/A	Construction	830.8 sq.m.	
3	Construction	0100518.705.02	26 Prunului/A	Construction	9.3 sq.m.	
4	Land plot	0100518.079	26 Prunului	For construction	3.9356 ha	CC “Fabrica de Beton si Mortar” LLC, Chisinau mun., 26 Prunului str.
5	Constructions	0100518.079.01	26 Prunului	Production building	498.6 sq.m.	
6	Constructions	0100518.079.02	26 Prunului	Production building	567 sq.m.	
7	Constructions	0100518.079.03	26 Prunului	Construction	134 sq.m.	
8	Constructions	0100518.079.04	26 Prunului	Construction	89.7 sq.m.	
9	Constructions	0100518.079.05	26 Prunului	Construction	397 sq.m.	
10	Constructions	0100518.079.06	26 Prunului	Construction	953.8 sq.m.	
11	Constructions	0100518.079.07	26 Prunului	Construction	189.3 sq.m.	
12	Constructions	0100518.079.08	26 Prunului	Construction	181.6 sq.m.	
13	Constructions	0100518.079.010	26 Prunului	Construction	54.5 sq.m.	
14	Constructions	0100518.079.011	26 Prunului	Construction	25.1 sq.m.	
15	Constructions	0100518.079.012	26 Prunului	Construction	9 sq.m.	
16	Land plot	0100424.527	9 Vadul lui Voda	For construction	0.9049 ha	„Energoreparatii” LLC Chisinau mun., 1 Otovasca str.
17	Construction	0100424.527.01	9 Vadul lui Voda	Production building	448.2 sq.m.	
18	Construction	0100424.527.02	9 Vadul lui Voda	Production building	1152 sq.m.	
19	Construction	0100424.527.03	9 Vadul lui Voda	Production building	1310.2 sq.m.	
20	Construction	0100424.527.04	9 Vadul lui Voda	Warehouse	332.2 sq.m.	
21	Construction	0100424.527.05	9 Vadul lui Voda	Garage	135.2 sq.m.	
22	Construction	0100424.527.06	9 Vadul lui Voda	Additional construction	161.5 sq.m.	
23	Construction	0100424.527.07	9 Vadul lui Voda	Warehouse	227 sq.m.	
24	Construction	0100424.527.09	9 Vadul lui Voda	Warehouse	16 sq.m.	
25	Construction	0100424.527.10	9 Vadul lui Voda	Warehouse	341 sq.m.	
26	Construction	0100424.527.11	9 Vadul lui Voda	Construction	6 sq.m.	
27	Construction	0100424.527.12	9 Vadul lui Voda	Construction	38 sq.m.	
28	Construction	0100424.045.01	2j Florarii lane	Multi-storey residential building	587.2 sq.m.	APLP-52/305 COOP
29	Construction	0100424.045.02	2j Florarii lane	Multi-storey residential building	204.8 sq.m.	“Gestiune economică Termoelectrica” JSC
30	Land plot	0100424.282	17j Vadul lui Voda	For construction	0.099 ha	Chisinau mun.
31	Land plot	0100424.282.01	17j Vadul lui Voda	Multi-storey residential building	242.4 sq.m.	Republic of Moldova

***ANNEX 3 – List of Beneficiary Residential and Public Buildings of Investments Under Component 2***